

STATE OF ILLINOIS
DEPARTMENT OF FINANCIAL AND PROFESSIONAL REGULATION
DIVISION OF BANKING

IN THE MATTER OF:)
)
) No. 2008-MBR-74
SUMMIT HOME LENDING, INC.)
License No. MB.0005904)
Attention: Allison Carter)
605 N. Highway 169, Suite 700)
Plymouth, MN 55441)

ORDER ASSESSING FINE

The DEPARTMENT OF FINANCIAL AND PROFESSIONAL REGULATION, Division of Banking (the "Department"), having investigated activities conducted by Summit Home Lending, Inc. (the "Licensee") and having documented violations of the Residential Mortgage License Act of 1987 (the "Act") [205 ILCS 635] and rules promulgated thereunder (the "Rules") [38 Ill. Adm. Code 1050], hereby issues this ORDER pursuant to the authority provided under Section 4-5(h)(5) of the Act. The Department makes the following:

FINDINGS

1. That on April 7, 2008, the Department received information that Supreme Capital Funding, Inc. ("Supreme Capital Funding") was possibly conducting mortgage brokering activities after its Illinois residential mortgage license (MB.0007012) had been revoked by the Department and a Department investigation was opened;
2. That on April 9, 2008, a Department investigator conducted an on-site visit to Supreme Capital Funding's former licensed office location at 445 W. Erie Suite LL1B, Chicago, Illinois 60610 ("445 W. Erie");
3. That during said on-site visit to 445 W. Erie, the Department investigator first identified signage for Supreme Capital Funding on the building directory and outside the entry door, then upon entering the office interviewed Chris Hill ("Hill") a telemarketer performing services for Kamisha Youngblood ("Youngblood") thereafter identified as a loan originator for Summit Home Lending;

4. That further during said on-site visit, the Department investigator learned from Hill that Supreme Capital Funding was no longer in business and that Youngblood (owner of Supreme Capital Funding) had been working for Summit Home Lending since around October 2007 (later determined to be November 2007);
5. That further during said on-site visit, the Department investigator observed Hill engaged in telemarketing practices which involved Hill reading from a pre-printed script/form and identifying his calling on behalf of Summit Home Lending and further heard Hill to advise a consumer in a telephone call that he could get the consumer a higher and a lower interest rate on different loan programs and that the consumer should come to Summit Home Lending at 445 W. Erie where the consumer could speak to a loan officer;
6. That further during said on-site visit, Hill admitted to the Department investigator that “I originate” loans, that Hill did not hold a loan originator registration, but that Hill should be registered, although Youngblood did everything, originating and processing;
7. That further during said on-site visit, the Department investigator has a telephone conversation with Youngblood in which Youngblood denied that 445 W. Erie was a branch office and that Youngblood was registered out of Licensee’s Division Street branch location; further that Youngblood was working out of the 445 W. Erie location, because Youngblood was still locked into a lease from operating as Supreme Capital Funding;
8. That further during said on-site visit and telephone call, the Department investigator advised Youngblood that Hill was acting in the capacity of a loan solicitor as well as a loan originator and further advised Youngblood that as Hill read from a script Hill offered a consumer two different interest rates that Hill determined the consumer would qualify for and that Youngblood then informed the Department investigator that Hill was not supposed to be quoting rates;
9. That further during said on-site visit and telephone call, in regards to a branch office license, Youngblood told the Department investigator that Youngblood had mentioned the possibility of having a branch office to Summit Home Lending, but that Summit Home Lending had told her the volume of clients did not warrant opening a branch office; however, Youngblood was looking to work for a mortgage company that would allow her to have a branch license due to being locked into a lease at 445 W. Erie; and
10. That on April 9, 2008, the Department investigator filed a Report of Investigation (the “ROI”) citing violations by Summit Home Lending for failure to license an additional full service office and to register Hill as a loan originator, and referred the ROI for enforcement; and
11. That on April 30, 2008, the Department mailed to Licensee by U.S. first class and registered mail a potential disciplinary letter and Licensee acknowledged receipt and provided written responses thereto; however, the Department has determined Licensee’s responses to be insufficient to set aside the violations of the Act and Rules.

CONCLUSIONS

BASED UPON THE ABOVE FINDINGS, THE DEPARTMENT IS OF THE OPINION AND CONCLUDES:

That notwithstanding notices and other efforts by the Department, Licensee has violated Sections 1-3(f), 2-4(t) & (z), and 7-1 of the Act, and is in further violation of Section 4-5 (i) (17) of the Act.

ORDER

NOW THEREFORE IT IS HEREBY ORDERED:

1. That Summit Home Lending, inc. shall be and hereby is assessed a fine of \$10,000 which shall be due thirty (30) days after the effective date of this Order; and
2. The fine in the amount of \$10,000 shall be paid by means of a certified check or money order made payable to the:

**Department of Financial and Professional Regulation
Division of Banking
ATTN: FISCAL DIVISION, 2ND FLOOR
320 W. Washington Street
Springfield, IL 62786**

ORDERED THIS 3rd DAY OF JULY, 2008

ILLINOIS DEPARTMENT OF FINANCIAL AND PROFESSIONAL REGULATION
DEAN MARTINEZ, SECRETARY

DIVISION OF BANKING
JORGE A. SOLIS, DIRECTOR

REYNOLD M. BENJAMIN
Assistant Director, Division of Banking

You are hereby notified that this Order is an administrative decision. Pursuant to 205 ILCS 635/4-12 and 38 Ill. Adm. Code, 1050.1510 *et seq.* any party may file a request for a hearing on an administrative decision. The request for a hearing shall be filed within 10 days after the receipt of an administrative decision. A hearing shall be held within 30 days after the receipt by the Department of Financial and Professional Regulation, Division of Banking of a request for a hearing. Absent a request for a hearing, this Order shall constitute a final administrative Order subject to the Administrative Review Law [735 ILCS 5/3-101 *et seq.*].